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REVENUE
COMPARISON OF BUDGETED FISCAL YEAR 1999-2000
TO TOTAL RECOMMENDED FISCAL YEAR 2000-2001
(INCLUSIVE OF DOUBLE COUNTED EXPENDITURES)

Means of Financing & Table of Organization	As of 12/3/99 Existing Operating Budget 1999-2000	Total Recommended 2000-2001	Total Recommended Over/(Under) E.O.B.
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GRAND TOTAL DEPARTMENT OF REVENUE	General Fund	\$31,965,705	\$28,531,017	(\$3,434,688)
	Interagency Transfers	\$200,000	\$140,327	(\$59,673)
	Fees and Self Gen.	\$44,161,043	\$35,932,006	(\$8,229,037)
	Statutory Dedications	\$625,000	\$710,913	\$85,913
	Interim Emergency Bd.	\$0	\$0	\$0
	Federal	\$399,246	\$50,000	(\$349,246)
	TOTAL	\$77,350,994	\$65,364,263	(\$11,986,731)
	T. O.	1,053	1,000	(53)

440 - Office of Revenue

> **TAX COLLECTION PROGRAM:** Comprises the entire tax collection effort of the office, which is organized into four major divisions and an Office of Legal Affairs. The Office of Management and Finance handles accounting, support services, human resources management, information services, and internal audit; Tax Administration Group I is responsible for collection, operations, personal income tax, sales tax, post processing services, and taxpayer services; Tax Administration Group II is responsible for audit review, research and technical services, excise taxes, corporation income and franchise taxes, and severance tax; Tax Administration Group III is responsible for field audit services, district offices, regional offices, and special investigations.

General Fund	\$29,916,538	\$26,749,624	(\$3,166,914)
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$38,768,483	\$30,978,841	(\$7,789,642)
Statutory Dedications	\$50,000	\$50,000	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$86,680	\$50,000	(\$36,680)
TOTAL	\$68,821,701	\$57,828,465	(\$10,993,236)
T. O.	911	868	(43)

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Maintenance of state-owned buildings (-\$14,251 State General Fund)

Continuation of reductions imposed by Executive Order MJF 99-52 in FY 00-01 (-\$233,997 State General Fund; -\$2,349,885 Fees and Self-generated Revenues; TOTAL -\$2,583,882)

Net Acquisitions Funding (-\$330,820 Fees and Self-generated Revenues)

Non-recurring carry forward for the Tax Remittance System (-\$2,906,860 Fees and Self-generated Revenues)

Non-recurring adjustment for the Tax Reengineering Project (-\$4,300,000 Fees and Self-generated Revenues)

Funding adjustment necessary to ensure adequate funding, with attrition, of 868 recommended positions, which includes 43 personnel reductions (-\$2,918,666 State General Fund; \$69,510 Fees and Self-generated Revenues; TOTAL -\$2,849,156)

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Risk Management Adjustment (-\$64,133 Fees and Self-generated Revenues)

Means of Finance Substitution - Replace Federal Funds with Fees and Self-generated Revenues to maintain the current services provided by Lockheed Martin in providing the tax processing system used for the International Fuel Tax Agreement (IFTA) (-\$36,680 Federal Funds; \$36,680 Fees and Self-generated Revenues)

Funding provided for building leases for the department and regional offices (\$174,152 Fees and Self-generated Revenues)

Funding provided for the integration of modules of the Tax System Reengineering Project (\$950,000 Fees and Self-generated Revenues)

Funding provided for the ISIS Human Resources System Support Project (\$70,200 Fees and Self-generated Revenues)

Funding provided for IBM software support expense (\$14,364 Fees and Self-generated Revenues)

Increase Fees and Self-generated Revenues from prior year collections for administrative costs (\$696,000 Fees and Self-generated Revenues)

OBJECTIVE: To ensure that all of the operational objectives of the department will be achieved.

PERFORMANCE INDICATORS:

Percentage of department operational objectives achieved

Number of reportable audit findings

100%	100%	0%
0	0	0

OBJECTIVE: To increase voluntary compliance with the tax laws by 1%.

PERFORMANCE INDICATORS:

Percentage of total returns scanned

Percentage of total collected from business taxpayers that is deposited electronically

Percentage of total revenue collected that is deposited within 24 hours of receipt

Average tax return processing time (in days)

Return on investment of voluntary compliance (total voluntary collections per dollar spent on nonenforcement efforts)

Percentage of error-free or undisputed individual income tax returns

Percentage of error-free or undisputed sales tax returns

Total number of tax processes converted to the new integrated tax system

80.0%	92.4%	12.4%
66%	62%	(4%)
62.0%	71.5%	9.5%
9	7	(2)
\$205	\$205	0
90%	90%	0%
95.2%	96.0%	0.8%
6	8	2

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OBJECTIVE: To increase the costs of noncompliance for taxpayers through improved enforcement of tax laws in order to reduce intentional noncompliance by 2%.

PERFORMANCE INDICATORS:

Percentage of in-state business accounts audited
 Percentage of out-of-state business accounts audited
 Total field audit collections
 Field audit collections as a percentage of audit findings
 Number of new audit cases received
 Number of audit cases closed
 Return on investment of enforcement (total involuntary collections per dollar spent on enforcement efforts)
 Number of delinquent/warrant for distraint assignments
 Number of lien actions
 Number of levy actions
 Percentage of individual income taxpayers who fail to file a tax return
 Percentage of sales taxpayers who fail to file a tax return

0.65%	0.65%	0.00%
1.20%	1.20%	0.00%
\$61,800,000	\$61,800,000	\$0
50%	50%	0%
2,000	2,100	100
3,000	2,200	(800)
\$7.20	\$7.20	\$0.00
270,000	281,000	11,000
11,000	11,500	500
82,000	103,000	21,000
4.6%	4.4%	(0.2%)
11.5%	15.0%	3.5%

> **PUBLIC ADMINISTRATORS PROGRAM:** Administers intestate succession in Orleans and Jefferson Parishes with one administrator in each parish. Administrator duties are: burial, accounting for decedent's assets, payment of debts from these assets, and search for potential heirs.

General Fund	\$44,147	\$0	(\$44,147)
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$0	\$0	\$0
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$44,147	\$0	(\$44,147)
T. O.	2	0	(2)

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Abolishing of the Public Administrators Program per the department due to budget cuts, including two (2) unclassified positions.

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> **ALCOHOL AND TOBACCO PROGRAM:** Regulates the alcoholic beverage and tobacco industries in the state; licenses alcoholic beverage manufacturers, native wineries, retailers, and wholesalers as well as retail and wholesale tobacco produce dealers; enforces state alcoholic beverage and tobacco laws.

General Fund	\$0	\$0	\$0
Interagency Transfers	\$200,000	\$140,327	(\$59,673)
Fees and Self Gen.	\$3,828,536	\$3,527,416	(\$301,120)
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$312,566	\$0	(\$312,566)
TOTAL	\$4,341,102	\$3,667,743	(\$673,359)
T. O.	81	81	0

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Net Acquisitions Funding (-\$267,616 Fees and Self-generated Revenues)

Continuation of reductions imposed by Executive Order MJF 99-52 in FY 00-01 (-\$94,802 Fees and Self-generated Revenues)

Funding adjustment necessary to ensure adequate funding, with attrition, of 81 recommended positions (-\$59,673 Interagency Transfers; -\$312,566 Federal Funds; TOTAL -\$372,239)

Funding provided for maintenance of automobiles (\$21,210 Fees and Self-generated Revenues)

OBJECTIVE: To reduce the average time required for taxpayers to receive alcohol and tobacco permits to 20 days.

PERFORMANCE INDICATORS:

Average time for taxpayers to receive alcohol and tobacco permits (in days)

Total number of alcohol permits processed

Total number of tobacco permits processed

34	20	(14)
30,000	30,000	0
18,000	15,000	(3,000)

OBJECTIVE: To reduce the alcohol noncompliance rate to 22% and the tobacco noncompliance rate to 10%.

PERFORMANCE INDICATORS:

Alcohol noncompliance rate

Tobacco noncompliance rate

Total number of compliance checks conducted

Total number of inspections conducted

25%	22%	(3%)
15%	10%	(5%)
9,000	11,400	2,400
21,000	21,000	0

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> **OFFICE OF CHARITABLE GAMING:** Licenses, educates, and monitors organizations conducting legalized gaming as a fund-raising mechanism; provides for the licensing of commercial lessors and related matters regarding electronic video bingo and progressive mega-jackpot bingo.

General Fund	\$125,000	\$0	(\$125,000)
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$1,564,024	\$1,425,749	(\$138,275)
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$1,689,024	\$1,425,749	(\$263,275)
T. O.	23	20	(3)

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Continuation of reductions imposed by Executive Order MJF 99-52 in FY 00-01 (-\$32,221 State General Fund; -\$267,768 Fees and Self-generated Revenues; TOTAL -\$299,989)

Funding adjustment necessary to ensure adequate funding, with attrition, of 20 positions, which includes 3 personnel reductions (-\$92,779 State General Fund)

Non-Recurring Acquisitions and Major Repairs (-\$292,233 Fees and Self-generated Revenues)

Funding for legal services provided by the Department of Justice (\$20,696 Fees and Self-generated Revenues)

Funding provided for the redesigning of the data processing system to provide detail comprehensive financial information associated with licensing (\$401,030 Fees and Self-generated Revenues)

OBJECTIVE: To increase the number of audits conducted by at least 10% over the FY 1999-00 standard (55).

PERFORMANCE INDICATORS:

Number of inspections conducted
Number of audits conducted
Number of investigations conducted

480	275	(205)
55	65	10
150	75	(75)

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TOTAL OFFICE OF REVENUE

General Fund	\$30,085,685	\$26,749,624	(\$3,336,061)
Interagency Transfers	\$200,000	\$140,327	(\$59,673)
Fees and Self Gen.	\$44,161,043	\$35,932,006	(\$8,229,037)
Statutory Dedications	\$50,000	\$50,000	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$399,246	\$50,000	(\$349,246)
TOTAL	\$74,895,974	\$62,921,957	(\$11,974,017)
T. O.	1017	969	(48)

441 - Louisiana Tax Commission

> **PROPERTY/TAXATION REGULATORY OVERSIGHT PROGRAM:** Reviews and certifies the various parish assessment rolls, and acts as an appellate body for appeals by assessors, taxpayers, and tax recipient bodies after actions by parish review boards; provides guidelines for assessment of movable property; reviews appraisal or assessments and where necessary modifies (or orders reassessment) to ensure uniformity and fairness. Assesses all public service property, as well as valuation of stock values for banks and insurance companies, and provides assistance to assessors.

General Fund	\$1,880,020	\$1,781,393	(\$98,627)
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$0	\$0	\$0
Statutory Dedications	\$475,000	\$610,913	\$135,913
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$2,355,020	\$2,392,306	\$37,286
T. O.	36	31	(5)

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Reduction in funding for the Biennial Report (-\$5,500 State General Fund)

Funding adjustment necessary to ensure adequate funding, with attrition, of all 31 recommended positions, which includes 5 personnel reductions (-\$101,947 State General Fund)

Net Acquisitions Funding (\$7,946 State General Fund)

Risk Management Adjustment (\$874 State General Fund)

Funding provided for legal service fees (\$134,627 Fees and Self-generated Revenues)

OBJECTIVE: To hear 100% of all protest hearings within the tax year in which the protest was filed.

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PERFORMANCE INDICATOR:

Percentage of protest hearing completed within the tax year in which the protest was filed

100%	100%	0%
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OBJECTIVE: To conduct all bank and insurance company assessments, public utility company appraisals and assessments, and tax roll certification activities necessary to support local tax collection.

PERFORMANCE INDICATORS:

Percentage of banks and insurance companies assessed

Percentage of tax rolls certified before November 15th each year

Percentage of public utility companies appraised and assessed

100%	100%	0%
100%	100%	0%
100%	100%	0%

OBJECTIVE: To conduct appraisals throughout the state to assist local assessors.

PERFORMANCE INDICATOR:

Total number of property appraisals conducted

6,000	6,000	0
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> **SUPERVISION AND ASSISTANCE TO LOCAL ASSESSORS PROGRAM:** Responsible for providing computer assistance to parish assessors to improve productivity through use of electronic filing and communication with the Louisiana Tax Commission.

General Fund	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$0	\$0	\$0
Statutory Dedications	\$100,000	\$50,000	(\$50,000)
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$100,000	\$50,000	(\$50,000)
T. O.	0	0	0

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Adjustment to reflect actual funding needs for the Aids to Local Assessor Program (-\$50,000 Statutory Dedications)

OBJECTIVE: To implement the electronic filing of tax documents that parish assessors must file with the Louisiana Tax Commission by establishing electronic links between the commission and at least 50% of parish assessors.

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PERFORMANCE INDICATORS:

Number of assessors linked electronically
Number of assessors filing tax rolls electronically
Number of assessors filing change orders electronically

35	40	5
40	20	(20)
40	40	0

TOTAL LOUISIANA TAX COMMISSION

General Fund	\$1,880,020	\$1,781,393	(\$98,627)
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$0	\$0	\$0
Statutory Dedications	\$575,000	\$660,913	\$85,913
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$2,455,020	\$2,442,306	(\$12,714)
T. O.	36	31	(5)